

# **Grape & Wine Development Fund Senate File 524**

Last Action:

**Senate Floor**

April 26, 2001

**An Act providing assistance regarding the development of grapes and wine and providing for tax revenue and an appropriation.**

**Executive Summary Only**



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**LEGISLATIVE FISCAL BUREAU  
NOTES ON BILLS AND AMENDMENTS (NOBA)**

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**EXECUTIVE SUMMARY  
NOTES ON BILLS AND AMENDMENTS**

**SENATE FILE 524  
GRAPE & WINE DEVELOPMENT FUND**

WINE GALLONAGE TAX FUND

- A Wine Gallonage Tax of \$1.75 is levied and collected from each Class A wine permit holder for wine manufactured and sold at wholesale in Iowa. This includes all wine imported into the state for sale at wholesale. Revenue collected from the Wine Gallonage Tax is deposited into the Wine Gallonage Tax Fund. (Page 1, Line 1)

GRAPE AND WINE DEVELOPMENT  
COMMISSION

- Each year, the State Revenue Estimating Conference will determine the amount that will be collected for the Wine Gallonage Tax Fund. Revenue collected in excess of the agreed amount will be deposited into the Grape and Wine Development Fund with the maximum deposit being \$75,000 per fiscal year. (Page 1, Line 27)
- Creates the Grape and Wine Development Commission consisting of nine members, including four non-voting members and five voting members. The Secretary of Agriculture will appoint the voting members that include two grape growers, two wine makers, and one retailer. (Page 2, Line 31)

GRAPE AND WINE DEVELOPMENT  
PROGRAM ADMINISTRATION

- Members of the Commission will not be reimbursed for expenditures related to the Commission. (Page 4, Line 5)
- The Department of Agriculture and Land Stewardship will administer the Grape and Wine Development Programs and the Grape and Wine Development Fund. (Page 4, Line 16)

GRAPE AND WINE DEVELOPMENT  
PROGRAMS

- The Department of Agriculture and Land Stewardship will work with the Commission to provide technical assistance to persons for the establishment, improvement, or expansion of vineyards or winemaking operations. This will include viticulturalist and oenological assistance. (Page 5, Line 19)

GRAPE AND WINE DEVELOPMENT  
FUND

- Creates the Grape and Wine Development Fund under the Direction of the Department of Agriculture and Land Stewardship. The Fund will be appropriated by the General Assembly and include funds contributed by the federal government or private sources. The Bill specifies a maximum appropriation of \$75,000 per year. (Page 6, Line 22)
- Requires excess funds from the Grape and Wine Development Fund at the end of the fiscal year carry forward and moneys earned as income or interest shall stay in the Fund and be used for Grape and Wine Development Programs to provide financial assistance to growers and winemakers. (Page 7, Line 2)